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Attorneys for Defendants

UNITED STATES DISTRICT COURT

DISTRICT OF NEVADA

UNITED STATES SECURITIES AND
EXCHANGE COMMISSION,

Plaintiff,

v

MICHAEL B. ZIPPRICH, AMERICA'S
REHAB CAMPUSES, LLC, AMERICA'S
REHAB CAMPUSES – ARIZONA, LLC, and
ARIZONA REHAB CAMPUS, LLC,

Defendants.

CASE NO. 2:20-cv-02308-JCM-DJA

**STIPULATION AND
TO STAY PROCEEDING**

ORDER

(First Request)

Plaintiff United States Securities and Exchange Commission ("SEC") and Defendants Michael B. Zipprich, America's Rehab Campuses, LLC, America's Rehab Campuses – Arizona, LLC, and Arizona Rehab Campus, LLC (collectively the "Parties" and individually "Party"), by and through their undersigned counsel of record, hereby request an order to stay the proceeding. The Parties have reached a settlement in principle to resolve all matters in controversy between the Parties. Therefore, the Parties

request to stay the proceeding, including all deadlines in the Parties' Joint Discovery Plan and Scheduling Order (ECF No. 26), as modified by the Stipulation (ECF No. 29), for sixty (60) days to allow the Parties to finalize their negotiations and necessary settlement paperwork. This potential settlement is still subject to (a) the Parties agreeing to appropriate documentation, and (b) approval by the Commissioners of the SEC.

In furtherance of the request to stay the proceeding, the Parties submit as follows:

1. The Parties have reached a settlement in principle as to all claims in this action.
2. The Parties need time to analyze certain documents and details in furtherance of the settlement in principle and to draft documentation of the settlement.
3. To avoid the burden and expense of continued litigation and the waste of judicial resources when a settlement in principle has been reached, the Parties respectfully request that the Court stay the proceeding.
4. Before the expiration of the sixty-day period, the Parties will submit to the Court a status report on the progress of finalizing the settlement documentation.
5. After the Parties finalize the appropriate settlement documentation, the Parties would request a further stay so that the SEC Commissioners could consider a settlement recommendation. The SEC consists of five Commissioners, appointed by the President with the advice and consent of the Senate. 15 U.S.C. § 78d(a). Only the Commissioners, and not the staff of the SEC, have authority to settle an action filed in federal district court. The process to determine if the Commission will accept the settlement offer can take up to eight weeks. Accordingly, after the Parties finalize the settlement documentation within the 60 days of the first-requested stay, the Parties will likely request an additional stay so that the Commissioners can consider the settlement offer.

6. This is the Parties' first request to stay the proceeding based on the settlement in principle

Dated this 24th day of November, 2021.

Dated this 24th day of November, 2021.

SECURITIES AND EXCHANGE COMMISSION

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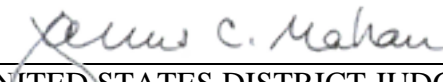
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IT IS SO ORDERED.


UNITED STATES DISTRICT JUDGE

DATED: December 7, 2021

CASE NO. 2:20-cv-02308-JCM-DJA